

Part VIII: Primitive Accumulation

Chapter Thirty-One

Genesis of the Industrial Capitalist

The genesis of the industrial [1] capitalist did not proceed in such a gradual way as that of the farmer. Doubtless many small guild-masters, and yet more independent small artisans, or even wage-labourers, transformed themselves into small capitalists, and (by gradually extending exploitation of wage-labour and corresponding accumulation) into full-blown capitalists. In the infancy of capitalist production, things often happened as in the infancy of medieval towns, where the question, which of the escaped serfs should be master and which servant, was in great part decided by the earlier or later date of their flight. The snail's pace of this method corresponded in no wise with the commercial requirements of the new world-market that the great discoveries of the end of the 15th century created. But the middle ages had handed down two distinct forms of capital, which mature in the most different economic social formations, and which before the era of the capitalist mode of production, are considered as capital *quand même* — usurer's capital and merchant's capital.

"At present, all the wealth of society goes first into the possession of the capitalist ... he pays the landowner his rent, the labourer his wages, the tax and tithe gatherer their claims, and keeps a large, indeed the largest, and a continually augmenting share, of the annual produce of labour for himself. The capitalist may now be said to be the first owner of all the wealth of the community, though no law has conferred on him the right to this property... this change has been effected by the taking of interest on capital ... and it is not a little curious that all the law-givers of Europe endeavoured to prevent this by statutes, viz., statutes against usury.... The power of the capitalist over all the wealth of the country is a complete change in the right of property, and by what law, or series of laws, was it effected?" [2] The author should have remembered that revolutions are not made by laws.

The money capital formed by means of usury and commerce was prevented from turning into industrial capital, in the country by the feudal constitution, in the towns by the guild organisation. [3] These fetters vanished with the dissolution of feudal society, with the expropriation and partial eviction of the country population. The new manufactures were established at Weavers, or at inland points beyond the control of the old municipalities

and their guilds. Hence in England an embittered struggle of the corporate towns against these new industrial nurseries.

The discovery of gold and silver in America, the extirpation, enslavement and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black-skins, signalised the rosy dawn of the era of capitalist production. These idyllic proceedings are the chief momenta of primitive accumulation. On their heels treads the commercial war of the European nations, with the globe for a theatre. It begins with the revolt of the Netherlands from Spain, assumes giant dimensions in England's Anti-Jacobin War, and is still going on in the opium wars against China, &c.

The different momenta of primitive accumulation distribute themselves now, more or less in chronological order, particularly over Spain, Portugal, Holland, France, and England. In England at the end of the 17th century, they arrive at a systematical combination, embracing the colonies, the national debt, the modern mode of taxation, and the protectionist system. These methods depend in part on brute force, *e.g.*, the colonial system. But, they all employ the power of the State, the concentrated and organised force of society, to hasten, hot-house fashion, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition. Force is the midwife of every old society pregnant with a new one. It is itself an economic power.

Of the Christian colonial system, W. Howitt, a man who makes a speciality of Christianity, says: "The barbarities and desperate outrages of the so-called Christian race, throughout every region of the world, and upon every people they have been able to subdue, are not to be paralleled by those of any other race, however fierce, however untaught, and however reckless of mercy and of shame, in any age of the earth." [4] The history of the colonial administration of Holland — and Holland was the head capitalistic nation of the 17th century — "is one of the most extraordinary relations of treachery, bribery, massacre, and meanness" [5] Nothing is more characteristic than their system of stealing men, to get slaves for Java. The men stealers were trained for this purpose. The thief, the interpreter, and the seller, were the chief agents in this trade, native princes the chief sellers. The young people stolen, were thrown into the secret dungeons of Celebes, until they were ready for sending to the slave-ships. An official report says: "This one town of Macassar, *e.g.*, is full of secret prisons, one more horrible than the other, crammed with unfortunates, victims of greed and tyranny fettered in chains, forcibly torn from their families." To secure Malacca, the Dutch corrupted the Portuguese governor. He let them into the town in 1641. They hurried at once to his house and assassinated him, to "abstain" from the payment of £21,875, the price of his treason. Wherever they set foot, devastation and depopulation followed. Banjuwangi, a province of Java, in 1750 numbered over 80,000 inhabitants, in 1811 only 18,000. Sweet commerce!

The English East India Company, as is well known, obtained, besides the political rule in India, the exclusive monopoly of the tea-trade, as well as of the Chinese trade in general, and of the transport of goods to and from Europe. But the coasting trade of India and between the islands, as well as the internal trade of India, were the monopoly of the higher employés of the company. The monopolies of salt, opium, betel and other commodities, were inexhaustible mines of wealth. The employés themselves fixed the price and plundered at will the unhappy Hindus. The Governor-General took part in this private traffic. His favourites received contracts under conditions whereby they, cleverer than the alchemists, made gold out of nothing. Great fortunes sprang up like mushrooms in a day; primitive accumulation went on without the advance of a shilling. The trial of Warren Hastings swarms with such cases. Here is an instance. A contract for opium was given to a certain Sullivan at the moment of his departure on an official mission to a part of India far removed from the opium district. Sullivan sold his contract to one Binn for £40,000; Binn sold it the same day for £60,000, and the ultimate purchaser who carried out the contract declared that after all he realised an enormous gain. According to one of the lists laid before Parliament, the Company and its employés from 1757-1766 got £6,000,000 from the Indians as gifts. Between 1769 and 1770, the English manufactured a famine by buying up all the rice and refusing to sell it again, except at fabulous prices. [6]

The treatment of the aborigines was, naturally, most frightful in plantation-colonies destined for export trade only, such as the West Indies, and in rich and well-populated countries, such as Mexico and India, that were given over to plunder. But even in the colonies properly so called, the Christian character of primitive accumulation did not belie itself. Those sober virtuosi of Protestantism, the Puritans of New England, in 1703, by decrees of their assembly set a premium of £40 on every Indian scalp and every captured red-skin: in 1720 a premium of £100 on every scalp; in 1744, after Massachusetts-Bay had proclaimed a certain tribe as rebels, the following prices: for a male scalp of 12 years and upwards £100 (new currency), for a male prisoner £105, for women and children prisoners £50, for scalps of women and children £50. Some decades later, the colonial system took its revenge on the descendants of the pious pilgrim fathers, who had grown seditious in the meantime. At English instigation and for English pay they were tomahawked by red-skins. The British Parliament proclaimed bloodhounds and scalping as "means that God and Nature had given into its hand."

The colonial system ripened, like a hot-house, trade and navigation. The "societies Monopolia" of Luther were powerful levers for concentration of capital. The colonies secured a market for the budding manufactures, and, through the monopoly of the market, an increased accumulation. The treasures captured outside Europe by undisguised looting, enslavement, and murder, floated back to the mother-country and were there turned into capital. Holland, which first fully developed the colonial system, in 1648 stood already in the acme of its commercial greatness. It was "in almost exclusive possession of the East Indian trade and the commerce between the south-east and

north-west of Europe. Its fisheries, marine, manufactures, surpassed those of any other country. The total capital of the Republic was probably more important than that of all the rest of Europe put together." Gülich forgets to add that by 1648, the people of Holland were more over-worked, poorer and more brutally oppressed than those of all the rest of Europe put together.

To-day industrial supremacy implies commercial supremacy. In the period of manufacture properly so called, it is, on the other hand, the commercial supremacy that gives industrial predominance. Hence the preponderant rôle that the colonial system plays at that time. It was "the strange God" who perched himself on the altar cheek by jowl with the old Gods of Europe, and one fine day with a shove and a kick chucked them all of a heap. It proclaimed surplus-value making as the sole end and aim of humanity.

The system of public credit, *i.e.*, of national debts, whose origin we discover in Genoa and Venice as early as the middle ages, took possession of Europe generally during the manufacturing period. The colonial system with its maritime trade and commercial wars served as a forcing-house for it. Thus it first took root in Holland. National debts, *i.e.*, the alienation of the state - whether despotic, constitutional or republican - marked with its stamp the capitalistic era. The only part of the so-called national wealth that actually enters into the collective possessions of modern peoples is their national debt. [7] Hence, as a necessary consequence, the modern doctrine that a nation becomes the richer the more deeply it is in debt. Public credit becomes the *credo* of capital. And with the rise of national debt-making, want of faith in the national debt takes the place of the blasphemy against the Holy Ghost, which may not be forgiven.

The public debt becomes one of the most powerful levers of primitive accumulation. As with the stroke of an enchanter's wand, it endows barren money with the power of breeding and thus turns it into capital, without the necessity of its exposing itself to the troubles and risks inseparable from its employment in industry or even in usury. The state - creditors actually give nothing away, for the sum lent is transformed into public bonds, easily negotiable, which go on functioning in their hands just as so much hard cash would. But further, apart from the class of lazy annuitants thus created, and from the improvised wealth of the financiers, middlemen between the government and the nation - as also apart from the tax-farmers, merchants, private manufacturers, to whom a good part of every national loan renders the service of a capital fallen from heaven - the national debt has given rise to joint-stock companies, to dealings in negotiable effects of all kinds, and to agiotage, in a word to stock-exchange gambling and the modern bankocracy.

At their birth the great banks, decorated with national titles, were only associations of private speculators, who placed themselves by the side of governments, and, thanks to the privileges they received, were in a position to advance money to the State. Hence the accumulation of the national debt has no more infallible measure than the successive rise in the stock of these banks, whose full development dates from the founding of the Bank

of England in 1694. The Bank of England began with lending its money to the Government at 8%; at the same time it was empowered by Parliament to coin money out of the same capital, by lending it again to the public in the form of banknotes. It was allowed to use these notes for discounting bills, making advances on commodities, and for buying the precious metals. It was not long ere this credit-money, made by the bank itself, became the coin in which the Bank of England made its loans to the State, and paid, on account of the State, the interest on the public debt. It was not enough that the bank gave with one hand and took back more with the other; it remained, even whilst receiving, the eternal creditor of the nation down to the last shilling advanced. Gradually it became inevitably the receptacle of the metallic hoard of the country, and the centre of gravity of all commercial credit. What effect was produced on their contemporaries by the sudden uprising of this brood of bankocrats, financiers, rentiers, brokers, stock-jobbers, &c., is proved by the writings of that time, *e.g.*, by Bolingbroke's. [8]

With the national debt arose an international credit system, which often conceals one of the sources of primitive accumulation in this or that people. Thus the villainies of the Venetian thieving system formed one of the secret bases of the capital-wealth of Holland to whom Venice in her decadence lent large sums of money. So also was it with Holland and England. By the beginning of the 18th century the Dutch manufactures were far outstripped. Holland had ceased to be the nation preponderant in commerce and industry. One of its main lines of business, therefore, from 1701-1776, is the lending out of enormous amounts of capital, especially to its great rival England. The same thing is going on to-day between England and the United States. A great deal of capital, which appears to-day in the United States without any certificate of birth, was yesterday, in England, the capitalised blood of children.

As the national debt finds its support in the public revenue, which must cover the yearly payments for interest, &c., the modern system of taxation was the necessary complement of the system of national loans. The loans enable the government to meet extraordinary expenses, without the tax-payers feeling it immediately, but they necessitate, as a consequence, increased taxes. On the other hand, the raising of taxation caused by the accumulation of debts contracted one after another, compels the government always to have recourse to new loans for new extraordinary expenses. Modern fiscality, whose pivot is formed by taxes on the most necessary means of subsistence (thereby increasing their price), thus contains within itself the germ of automatic progression. Over-taxation is not an incident, but rather a principle. In Holland, therefore, where this system was first inaugurated, the great patriot, DeWitt, has in his "Maxims" extolled it as the best system for making the wage-labourer submissive, frugal, industrious, and overburdened with labour. The destructive influence that it exercises on the condition of the wage-labourer concerns us less however, here, than the forcible expropriation, resulting from it, of peasants, artisans, and in a word, all elements of the lower middle-class. On this there are not two opinions, even among the bourgeois

economists. Its expropriating efficacy is still further heightened by the system of protection, which forms one of its integral parts.

The great part that the public debt, and the fiscal system corresponding with it, has played in the capitalisation of wealth and the expropriation of the masses, has led many writers, like Cobbett, Doubleday and others, to seek in this, incorrectly, the fundamental cause of the misery of the modern peoples.

The system of protection was an artificial means of manufacturing manufacturers, of expropriating independent labourers, of capitalising the national means of production and subsistence, of forcibly abbreviating the transition from the medieval to the modern mode of production. The European states tore one another to pieces about the patent of this invention, and, once entered into the service of the surplus-value makers, did not merely lay under contribution in the pursuit of this purpose their own people, indirectly through protective duties, directly through export premiums. They also forcibly rooted out, in their dependent countries, all industry, as, *e.g.*, England did. with the Irish woollen manufacture. On the continent of Europe, after Colbert's example, the process was much simplified. The primitive industrial capital, here, came in part directly out of the state treasury. "Why," cries Mirabeau, "why go so far to seek the cause of the manufacturing glory of Saxony before the war? 180,000,000 of debts contracted by the sovereigns!" [9]

Colonial system, public debts, heavy taxes, protection, commercial wars, &c., these children of the true manufacturing period, increase gigantically during the infancy of Modern Industry. The birth of the latter is heralded by a great slaughter of the innocents. Like the royal navy, the factories were recruited by means of the press-gang. Blasé as Sir F. M. Eden is as to the horrors of the expropriation of the agricultural population from the soil, from the last third of the 15th century to his own time; with all the self-satisfaction with which he rejoices in this process, "essential" for establishing capitalistic agriculture and "the due proportion between arable and pasture land" — he does not show, however, the same economic insight in respect to the necessity of child-stealing and child-slavery for the transformation of manufacturing exploitation into factory exploitation, and the establishment of the "true relation" between capital and labour-power. He says: "It may, perhaps, be worthy the attention of the public to consider, whether any manufacture, which, in order to be carried on successfully, requires that cottages and workhouses should be ransacked for poor children; that they should be employed by turns during the greater part of the night and robbed of that rest which, though indispensable to all, is most required by the young; and that numbers of both sexes, of different ages and dispositions, should be collected together in such a manner that the contagion of example cannot but lead to profligacy and debauchery; will add to the sum of individual or national felicity?" [10]

"In the counties of Derbyshire, Nottinghamshire, and more particularly in Lancashire," says Fielden, "the newly-invented machinery was used in large factories built on the sides of streams capable of turning the water-wheel. Thousands of hands were suddenly

required in these places, remote from towns; and Lancashire, in particular, being, till then, comparatively thinly populated and barren, a population was all that she now wanted. The small and nimble fingers of little children being by very far the most in request, the custom instantly sprang up of procuring *apprentices* from the different parish workhouses of London, Birmingham, and elsewhere. Many, many thousands of these little, hapless creatures were sent down into the north, being from the age of 7 to the age of 13 or 14 years old. The custom was for the master to clothe his apprentices and to feed and lodge them in an "apprentice house" near the factory; overseers were appointed to see to the works, whose interest it was to work the children to the utmost, because their pay was in proportion to the quantity of work that they could exact. Cruelty was, of course, the consequence. . . . In many of the manufacturing districts, but particularly, I am afraid, in the guilty county to which I belong [Lancashire], cruelties the most heart-rending were practised upon the unoffending and friendless creatures who were thus consigned to the charge of master-manufacturers; they were harassed to the brink of death by excess of labour ... were flogged, fettered and tortured in the most exquisite refinement of cruelty; ... they were in many cases starved to the bone while flogged to their work and ... even in some instances ... were driven to commit suicide.... The beautiful and romantic valleys of Derbyshire, Nottinghamshire and Lancashire, secluded from the public eye, became the dismal solitudes of torture, and of many a murder. The profits of manufacturers were enormous; but this only whetted the appetite that it should have satisfied, and therefore the manufacturers had recourse to an expedient that seemed to secure to them those profits without any possibility of limit; they began the practice of what is termed "night-working," that is, having tired one set of hands, by working them throughout the day, they had another set ready to go on working throughout the night; the day-set getting into the beds that the night-set had just quilted, and in their turn again, the night-set getting into the beds that the day-set quilted in the morning. It is a common tradition in Lancashire, that the beds *never get cold.*"

With the development of capitalist production during the manufacturing period, the public opinion of Europe had lost the last remnant of shame and conscience. The nations bragged cynically of every infamy that served them as a means to capitalistic accumulation. Read, *e.g.*, the naïve *Annals of Commerce* of the worthy A. Anderson. Here it is trumpeted forth as a triumph of English statecraft that at the Peace of Utrecht, England extorted from the Spaniards by the Asiento Treaty the privilege of being allowed to ply the negro-trade, until then only carried on between Africa and the English West Indies, between Africa and Spanish America as well. England thereby acquired the right of supplying Spanish America until 1743 with 4,800 negroes yearly. This threw, at the same time, an official cloak over British smuggling. Liverpool waxed fat on the slave-trade. This was its method of primitive accumulation. And, even to the present day, Liverpool "respectability" is the Pindar of the slave-trade which — compare the work of Aikin [1795] already quoted — "has coincided with that spirit of bold adventure which

has characterised the trade of Liverpool and rapidly carried it to its present state of prosperity; has occasioned vast employment for shipping and sailors, and greatly augmented the demand for the manufactures of the country" (p. 339). Liverpool employed in the slave-trade, in 1730, 15 ships; in 1751, 53; in 1760, 74; in 1770, 96; and in 1792, 132.[12]

Whilst the cotton industry introduced child-slavery in England, it gave in the United States a stimulus to the transformation of the earlier, more or less patriarchal slavery, into a system of commercial exploitation. In fact, the veiled slavery of the wage-workers in Europe needed, for its pedestal, slavery pure and simple in the new world.

Tantae molis erat, to establish the "eternal laws of Nature" of the capitalist mode of production, to complete the process of separation between labourers and conditions of labour, to transform, at one pole, the social means of production and subsistence into capital, at the opposite pole, the mass of the population into wage-labourers, into "free labouring poor," that artificial product of modern society. [13] If money, According to Augier, [14] "comes into the world with a congenital blood-stain on one cheek," capital comes dripping from head to foot, from every pore, with blood and dirt. [15]

Chapter Thirty-Two

Historical Tendency of Capitalist Accumulation

What does the primitive accumulation of capital, *i.e.*, its historical genesis, resolve itself into? In so far as it is not immediate transformation of slaves and serfs into wage-labourers, and therefore a mere change of form, it only means the expropriation of the immediate producers, *i.e.*, the dissolution of private property based on the labour of its owner. Private property, as the antithesis to social, collective property, exists only where the means of labour and the external conditions of labour belong to private individuals. But according as these private individuals are labourers or not labourers, private property has a different character. The numberless shades, that it at first sight presents, correspond to the intermediate stages lying between these two extremes. The private property of the labourer in his means of production is the foundation of petty industry, whether agricultural, manufacturing, or both; petty industry, again, is an essential condition for the development of social production and of the free individuality of the labourer himself. Of course, this petty mode of production exists also under slavery, serfdom, and other states of dependence. But it flourishes, it lets loose its whole energy, it attains its adequate classical form, only where the labourer is the private owner of his own means of labor set in action by himself: the peasant of the land which he cultivates, the artisan of the tool which he handles as a virtuoso. This mode of production pre-

supposes parcelling of the soil and scattering of the other means of production. As it excludes the concentration of these means of production, so also it excludes co-operation, division of labor within each separate process of production, the control over, and the productive application of the forces of Nature by society, and the free development of the social productive powers. It is compatible only with a system of production, and a society, moving within narrow and more or less primitive bounds. To perpetuate it would be, as Pecqueur rightly says, "to decree universal mediocrity". At a certain stage of development, it brings forth the material agencies for its own dissolution. From that moment new forces and new passions spring up in the bosom of society; but the old social organization fetters them and keeps them down. It must be annihilated; it is annihilated. Its annihilation, the transformation of the individualized and scattered means of production into socially concentrated ones, of the pigmy property of the many into the huge property of the few, the expropriation of the great mass of the people from the soil, from the means of subsistence, and from the means of labour, this fearful and painful expropriation of the mass of the people forms the prelude to the history of capital. It comprises a series of forcible methods, of which we have passed in review only those that have been epoch-making as methods of the primitive accumulation of capital. The expropriation of the immediate producers was accomplished with merciless Vandalism, and under the stimulus of passions the most infamous, the most sordid, the pettiest, the most meanly odious. Self-earned private property, that is based, so to say, on the fusing together of the isolated, independent labouring-individual with the conditions of his labour, is supplanted by capitalistic private property, which rests on exploitation of the nominally free labour of others, *i.e.*, on wage-labour. [1]

As soon as this process of transformation has sufficiently decomposed the old society from top to bottom, as soon as the laborers are turned into proletarians, their means of labor into capital, as soon as the capitalist mode of production stands on its own feet, then the further socialization of labour and further transformation of the land and other means of production into socially exploited and, therefore, common means of production, as well as the further expropriation of private proprietors, takes a new form. That which is now to be expropriated is no longer the laborer working for himself, but the capitalist exploiting many labourers. This expropriation is accomplished by the action of the immanent laws of capitalistic production itself, by the centralization of capital. One capitalist always kills many. Hand in hand with this centralization, or this expropriation of many capitalists by few, develop, on an ever-extending scale, the co-operative form of the labor-process, the conscious technical application of science, the methodical cultivation of the soil, the transformation of the instruments of labor into instruments of labor only usable in common, the economizing of all means of production by their use as means of production of combined, socialized labor, the entanglement of all peoples in the net of the world-market, and with this, the international character of the capitalistic regime. Along with the constantly diminishing number of the magnates of capital, who usurp and monopolise all advantages of this process of transformation, grows the mass

of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working-class, a class always increasing in numbers, and disciplined, united, organized by the very mechanism of the process of capitalist production itself. The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under it. Centralisation of the means of production and socialisation of labour at last reach a point where they become incompatible with their capitalist integument. Thus integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated.

The capitalist mode of appropriation, the result of the capitalist mode of production, produces capitalist private property. This is the first negation of individual private property, as founded on the labor of the proprietor. But capitalist production begets, with the inexorability of a law of Nature, its own negation. It is the negation of negation. This does not re-establish private property for the producer, but gives him individual property based on the acquisition of the capitalist era: *i.e.*, on co-operation and the possession in common of the land and of the means of production.

The transformation of scattered private property, arising from individual labour, into capitalist private property is, naturally, a process, incomparably more protracted, violent, and difficult, than the transformation of capitalistic private property, already practically resting on socialised production, into socialised property. In the former case, we had the expropriation of the mass of the people by a few usurpers; in the latter, we have the expropriation of a few usurpers by the mass of the people. [2]

Chapter Thirty-Three

The Modern Theory of Colonisation

Political economy confuses on principle two very different kinds of private property, of which one rests on the producers' own labor, the other on the employment of the labor of others. It forgets that the latter not only is the direct antithesis of the former, but absolutely grows on its tomb only. In Western Europe, the home of Political Economy, the process of primitive accumulation is more or less accomplished. Here the capitalist regime has either directly conquered the whole domain of national production, or, where economic conditions are less developed, it, at least, indirectly controls those strata of society which, though belonging to the antiquated mode of production, continue to exist side by side with it in gradual decay. To this ready-made world of capital, the political economist applies the notions of law and of property inherited from a pre-capitalistic world with all the more anxious zeal and all the greaterunction, the more loudly the facts

cry out in the face of his ideology. It is otherwise in the colonies. There the capitalist regime everywhere comes into collision with the resistance of the producer, who, as owner of his own conditions of labor, employs that labor to enrich himself, instead of the capitalist. The contradiction of these two diametrically opposed economic systems, manifest itself here practically in a struggle between them. Where the capitalist has at his back the power of the mother-country, he tries to clear out of his way by force the modes of production and appropriation based on the independent labor of the producer. The same interest, which compels the sycophant of capital, the political economist, in the mother-country, to proclaim the theoretical identity of the capitalist mode of production with its contrary, that same interest compels him in the colonies to make a clean breast of it, and to proclaim aloud the antagonism of the two modes of production. To this end, he proves how the development of the social productive power of labor, co-operation, division of labor, use of machinery on a large scale, &c., are impossible without the expropriation of the labourers, and the corresponding transformation of their means of production into capital. In the interest of the so-called national wealth, he seeks for artificial means to ensure the poverty of the people. Here his apologetic armour crumbles off, bit by bit, like rotten touchwood. It is the great merit of E.G. Wakefield to have discovered, not anything new about the Colonies [2], but to have discovered in the Colonies the truth as to the conditions of capitalist production in the mother country. As the system of protection at its origin [3] attempted to manufacture capitalists artificially in the mother-country, so Wakefield's colonisation theory, which England tried for a time to enforce by Acts of Parliament, attempted to effect the manufacture of wage-workers in the Colonies. This he calls "systematic colonisation".

First of all, Wakefield discovered that in the Colonies, proper means of subsistence, machines, and other means of production, does not as yet stamp a man as a capitalist if there be wanting the correlative — the wage-worker, the other man who is compelled to sell himself of his own free-will. He discovered that capital is not a thing, but a social relation between persons, established by the instrumentality of things. [4] Mr. Peel, he moans, took him from England to Swan River, West Australia, means of subsistence and of production to the amount of £50,000. Mr. Peel had the foresight to bring with him, besides, 3,000 persons of the working-class, men, women, and children. Once arrived at his destination, "Mr. Peel was left without a servant to make his bed or fetch him water from the river." [5] Unhappy Mr. Peel who provided for everything except the export of English modes of production to Swan River!

For the understanding of the following discoveries of Wakefield, two preliminary remarks: We know that the means of production and subsistence, while they remain the property of the immediate producer, are not capital. They become capital only under circumstances in which they serve at the same time as means of exploitation and subjection of the labourer. But this capitalist soul of theirs is so intimately wedded, in the head of the political economist, to their material substance, that he christens them capital under all circumstances, even when they are its exact opposite. Thus is it with

Wakefield. Further: the splitting up of the means of production into the individual property of many independent labourers, working on their own account, he calls equal division of capital. It is with the political economist as with the feudal jurist. The latter stuck on to pure monetary relations the labels supplied by feudal law.

"If," says Wakefield, "all members of the society are supposed to possess equal portions of capital... no man would have a motive for accumulating more capital than he could use with his own hands. This is to some extent the case in new American settlements, where a passion for owning land prevents the existence of a class of labourers for hire." [6] So long, therefore, as the labourer can accumulate for himself — and this he can do so long as he remains possessor of his means of production — capitalist accumulation and the capitalistic mode of production are impossible. The class of wage-labourers, essential to these, is wanting. How, then, in old Europe, was the expropriation of the labourer from his conditions of labour, i.e., the co-existence of capital and wage-labour, brought about? By a social contract of a quite original kind. "Mankind have adopted a... simple contrivance for promoting the accumulation of capital," which, of course, since the time of Adam, floated in their imagination, floated in their imagination as the sole and final end of their existence: "they have divided themselves into owners of capital and owners of labour.... The division was the result of concert and combination." [7] In one word: the mass of mankind expropriated itself in honour of the "accumulation of capital". Now, one would think that this instinct of self-denying fanaticism would give itself full fling especially in the Colonies, where alone exist the men and conditions that could turn a social contract from a dream to a reality. But why, then, should "systematic colonisation" be called in to replace its opposite, spontaneous, unregulated colonisation? But - but- "In the Northern States of the American Union; it may be doubted whether so many as a tenth of the people would fall under the description of hired labourers.... In England... the labouring class compose the bulk of the people." [8] Nay, the impulse to self-expropriation on the part of labouring humanity for the glory of capital, exists so little that slavery, according to Wakefield himself, is the sole natural basis of Colonial wealth. His systematic colonisation is a mere *pis aller*, since he unfortunately has to do with free men, not with slaves. "The first Spanish settlers in Saint Domingo did not obtain labourers from Spain. But, without labourers, their capital must have perished, or at least, must soon have been diminished to that small amount which each individual could employ with his own hands. This has actually occurred in the last Colony founded by England — the Swan River Settlement — where a great mass of capital, of seeds, implements, and cattle, has perished for want of labourers to use it, and where no settler has preserved much more capital than he can employ with his own hands." [9]

We have seen that the expropriation of the mass of the people from the soil forms the basis of the capitalist mode of production. The essence of a free colony, on the contrary, consists in this — that the bulk of the soil is still public property, and every settler on it therefore can turn part of it into his private property and individual means of production, without hindering the later settlers in the same operation.[10] This is the secret both of

the prosperity of the colonies and of their inveterate vice — opposition to the establishment of capital. "Where land is very cheap and all men are free, where every one who so pleases can easily obtain a piece of land for himself, not only is labour very dear, as respects the labourer's share of the produce, but the difficulty is to obtain combined labour at any price." [11]

As in the colonies the separation of the laborer from the conditions of labor and their root, the soil, does not exist, or only sporadically, or on too limited a scale, so neither does the separation of agriculture from industry exist, not the destruction of the household industry of the peasantry. Whence then is to come the internal market for capital? "No part of the population of America is exclusively agricultural, excepting slaves and their employers who combine capital and labor in particular works. Free Americans, who cultivate the soil, follow many other occupations. Some portion of the furniture and tools which they use is commonly made by themselves. They frequently build their own houses, and carry to market, at whatever distance, the produce of their own industry. They are spinners and weavers; they make soap and candles, as well as, in many cases, shoes and clothes for their own use. In America the cultivation of land is often the secondary pursuit of a blacksmith, a miller or a shopkeeper." [12] With such queer people as these, where is the "field of abstinence" for the capitalists?

The great beauty of capitalist production consists in this — that it not only constantly reproduces the wage-worker as wage-worker, but produces always, in production to the accumulation of capital, a relative surplus-population of wage-workers. Thus the law of supply and demand of labor is kept in the right rut, the oscillation of wages is penned within limits satisfactory to capitalist exploitation, and lastly, the social dependence of the laborer on the capitalist, that indispensable requisite, is secured; an unmistakable relation of dependence, which the smug political economist, at home, in the mother-country, can transmogrify into one of free contract between buyer and seller, between equally independent owners of commodities, the owner of the commodity capital and the owner of the commodity labour. But in the colonies, this pretty fancy is torn asunder. The absolute population here increases much more quickly than in the mother-country, because many labourers enter this world as ready-made adults, and yet the labour-market is always understocked. The law of supply and demand of labour falls to pieces. On the one hand, the old world constantly throws in capital, thirsting after exploitation and "abstinence"; on the other, the regular reproduction of the wage-labourer as wage-labourer comes into collision with impediments the most impertinent and in part invincible. What becomes of the production of wage-labourers into independent producers, who work for themselves instead of for capital, and enrich themselves instead of the capitalist gentry, reacts in its turn very perversely on the conditions of the labour-market. Not only does the degree of exploitation of the wage-labourer remain indecently low. The wage-labourer loses into the bargain, along with the relation of dependence, also the sentiment of dependence on the abstemious capitalist. Hence all the inconveniences that our E. G. Wakefield pictures so doughtily, so eloquently, so

pathetically. The supply of wage-labour, he complains, is neither constant, nor regular, nor sufficient. "The supply of labour is always not only small but uncertain." [13] "Though the produce divided between the capitalist and the labourer be large, the labourer takes so great a share that he soon becomes a capitalist.... Few, even those whose lives are unusually long, can accumulate great masses of wealth." [14] The labourers most distinctly decline to allow the capitalist to abstain from the payment of the greater part of their labour. It avails him nothing, is he is so cunning as to import from Europe, with his own capital, his own wage-workers. They soon "cease... to be labourers for hire; they... become independent landowners, if not competitors with their former masters in the labour-market." [15] Think of the horror! The excellent capitalist has imported bodily from Europe, with his own good money, his own competitors! The end of the world has come! No wonder Wakefield laments the absence of all dependence and of all sentiment of dependence on the part of the wage-workers in the colonies. On account of the high wages, says his disciple, Merivale, there is in the colonies "the urgent desire for cheaper and more subservient labourers — for a class to whom the capitalist might dictate terms, instead of being dictated to by them.... In ancient civilised countries the labourer, though free, is by a law of Nature dependent on capitalists; in colonies this dependence must be created by artificial means." [16]

What is now, according to Wakefield, the consequence of this unfortunate state of things in the colonies? A "barbarising tendency of dispersion" of producers and national wealth.[17] The parcelling-out of the means of production among innumerable owners, working on their own account, annihilates, along with the centralisation of capital, all the foundation of combined labor. Every long-winded undertaking, extending over several years and demanding outlay of fixed capital, is prevented from being carried out. In Europe, capital invests without hesitating a moment, for the working-class constitutes its living appurtenance, always in excess, always at disposal. But in the colonies! Wakefield tells an extremely doleful anecdote. He was talking with some capitalists of Canada and the state of New York, where the immigrant wave often becomes stagnant and deposits a sediment of "supernumerary" labourers. "Our capital," says one of the characters in the melodrama, "was ready for many operations which require a considerable period of time for their completion; but we could not begin such operations with labor which, we knew, would soon leave us. If we had been sure of retraining the labor of such emigrants, we should have been glad to have engaged it at once, and for a high price: and we should have engaged it, even though we had been sure it would leave us, provided we had been sure of a fresh supply whenever we might need it." [18]

After Wakefield has constructed the English capitalist agriculture and its "combined" labour with the scattered cultivation of American peasants, he unwittingly gives us a glimpse at the reverse of the medal. He depicts the mass of the American people as well-to-do, independent, enterprising, and comparatively cultured, whilst "the English agricultural labourer is miserable wretch, a pauper.... In what country, except North America and some new colonies, do the wages of free labour employed in agriculture

much exceed a bare subsistence for the labourer? ... Undoubtedly, farm-horses in England, being a valuable property, are better fed than English peasants." [19] But, never mind, national wealth is, once again, by its very nature, identical with misery of the people.

How, then, to heal the anti-capitalistic cancer of the colonies? If men were willing, at a blow, to turn all the soil from public into private property, they would destroy certainly the root of the evil, but also — the colonies. The trick is how to kill two birds with one stone. Let the Government put upon the virgin soil an artificial price, independent of the law of supply and demand, a price that compels the immigrant to work a long time for wages before he can earn enough money to buy land, and turn himself into an independent peasant.[20] The fund resulting from the sale of land at a price relatively prohibitory for the wage-workers, this fund of money extorted from the wages of labour by violation of the sacred law of supply and demand, the Government is to employ, on the other hand, in proportion as it grows; to import have-nothings from Europe into the colonies, and thus keep the wage-labour market full for the capitalists. Under these circumstances, tout sera pour le mieux dans le meilleur des mondes possibles. This is the great secret of "systematic colonisation". By this plan, Wakefield cries in triumph, "the supply of labor *must* be constant and regular, because, first, as no laborer would be able to procure land until he had worked for money, all immigrant laborers, working for a time for wages and in combination, would produce capital for the employment of more laborers; secondly, because every labourer who left off working for wages and became a landowner would, by purchasing land, provide a fund for bringing fresh labour to the colony." [21] The price of the soil imposed by the State must, of course, be a "sufficient price" — *i.e.*, so high "as to prevent the labourers from becoming independent landowners until others had followed to take their place." [22] This "sufficient price for the land" is nothing but a euphemistic circumlocution for the ransom which the labourer pays to the capitalist for leave to retire from the wage-labour market to the land. First, he must create for the capitalist "capital", with which the latter may be able to exploit more labourers; then he must place, at his own expense, a *locum tenens* on the labour-market, whom the Government forwards across the sea for the benefit of his old master, the capitalist.

It is very characteristic that the English Government for years practised this method of "primitive accumulation" prescribed by Mr. Wakefield expressly for the use of the colonies. The fiasco was, of course, as complete as that of Sir Robert Peel's Bank Act. The stream of emigration was only diverted from the English colonies to the United States. Meanwhile, the advance of capitalistic production in Europe, accompanied by increasing Government pressure, has rendered Wakefield's recipe superfluous. On the one hand, the enormous and ceaseless stream of men, year after year driven upon America, leaves behind a stationary sediment in the east of the United States, the wave of immigration from Europe throwing men on the labor-market there more rapidly than the wave of emigration westwards can wash them away. On the other hand, the American Civil War

brought in its train a colossal national debt, and, with it, pressure of taxes, the rise of the vilest financial aristocracy, the squandering of a huge part of the public land on speculative companies for the exploitation of railways, mines, &c., in brief, the most rapid centralization of capital. The great republic has, therefore, ceased to be the promised land for emigrant labourers. Capitalistic production advances there with giant strides, even though the lowering of wages and the dependence of the wage-worker are yet far from being brought down to the normal European level. The shameless lavishing of uncultivated colonial land on aristocrats and capitalists by the Government, so loudly denounced even by Wakefield, has produced, especially in Australia [23], in conjunction with the stream of men that the gold-diggings attract, and with the competition that the importation of English-commodities causes even to the smallest artisan, an ample "relative surplus labouring population", so that almost every mail brings the Job's news of a "glut of the Australia labour-market", and the prostitution in some places flourishes as wantonly as in the London Haymarket.

However, we are not concerned here with the conditions of the colonies. The only thing that interests us is the secret discovered in the new world by the Political Economy of the old world, and proclaimed on the housetops: that the capitalist mode of production and accumulation, and therefore capitalist private property, have for their fundamental condition the annihilation of self-earned private property; in other words, the expropriation of the laborer.

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